

Press Release

Sree Subha Sales

November 11, 2020



Rating Update

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|-------------------------------------|---|
| Total Bank Facilities Rated* | Rs.26.89 Cr. # |
| Long Term Rating | ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating* |
| Short Term Rating | ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating* |

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Acuité has downgraded and withdrawn the long term rating to '**ACUITE BB-**' (**read as ACUITE double B minus**) from '**ACUITE BB**' (**read as ACUITE double B**) and the short term rating to '**ACUITE A4**' (**read as ACUITE A four**) from '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs.26.89 crore bank facilities of Sree Subha Sales. This rating continues to be an indicative rating and is based on the best available information.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

Sree Subha Sales (SSS) was established in 1990 as a proprietorship concern by Mr. K.A. Nanda. SSS is a Class-I contractor engaged majorly in the execution of water supply and underground drainage schemes for the Karnataka government. The firm caters to Karnataka Urban Water Supply and drainage Board (KUWSDB) and Bangalore Water Supply and Sewage Board (BWSSB).

Non-cooperation by the issuer/borrower: Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-51.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>

Limitation regarding information availability: The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity- Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Up to last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr) | Ratings/Outlook |
|--------------------|---------------------------------|------------|-----------------|-------------------------|
| 18 December, 2019 | Cash Credit | Long Term | 5.00 | ACUITE BB (Indicative) |
| | Term Loans | Long Term | 0.49 | ACUITE BB (Indicative) |
| | Bank Guarantee | Short Term | 19.40 | ACUITE A4+ (Indicative) |
| | Proposed Non Fund Based Limit | Short Term | 2.00 | ACUITE A4+ (Indicative) |
| 22 September, 2018 | Cash Credit | Long Term | 5.00 | ACUITE BB (Indicative) |
| | Term Loans | Long Term | 0.49 | ACUITE BB (Indicative) |
| | Bank Guarantee | Short Term | 19.40 | ACUITE A4+ (Indicative) |
| | Proposed Non Fund Based Limit | Short Term | 2.00 | ACUITE A4+ (Indicative) |
| 17 August, 2017 | Cash Credit | Long Term | 5.00 | ACUITE BB (Indicative) |
| | Term Loans | Long Term | 0.49 | ACUITE BB (Indicative) |
| | Bank Guarantee | Short Term | 19.40 | ACUITE A4+ (Indicative) |
| | Proposed Non Fund Based Limit | Short Term | 2.00 | ACUITE A4+ (Indicative) |

*Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Crore) | Ratings/Outlook |
|-------------------------------|------------------|----------------|----------------|-------------------------------|--|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 5.00 | ACUITE BB- (Downgraded from ACUITE BB) (Withdrawn: Issuer not co-operating*) |
| Term Loans | Not available | Not Applicable | Not available | 0.49 | ACUITE BB- (Downgraded from ACUITE BB) (Withdrawn: Issuer not co-operating*) |
| Bank Guarantee | Not Applicable | Not Applicable | Not Applicable | 19.40 | ACUITE A4 (Downgraded from ACUITE A4+) (Withdrawn: Issuer not co-operating*) |
| Proposed Non Fund Based Limit | Not Applicable | Not Applicable | Not Applicable | 2.00 | ACUITE A4 (Downgraded from ACUITE A4+) (Withdrawn: Issuer not co-operating*) |

*The issuer did not co-operate; based on best available information.

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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